



**DONALD H. BLEVINS**  
Chief Probation Officer

# COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2501



## ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

26 September 7, 2010

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

September 07, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

### **APPROVAL OF STANDARDIZED AGREEMENT WITH MORPHO DETECTION, INC. TO PROVIDE MAINTENANCE SERVICE FOR ITEMISER FX**

#### **SUBJECT**

This contract is to provide maintenance and support for Itemiser FX units for the County of Los Angeles Probation Department.

#### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and authorize the Chief Probation Officer to finalize and execute a sole source agreement with Morpho Detection, Inc. substantially similar in form to the attached agreement for a 2-year term for maintenance services to fifteen (15) Itemiser FX units, with two (2) optional two (2) year terms for a total cost of \$128,250 for each two (2) year term. The agreement is fully funded by net County cost (NCC) and funding for this agreement is included in the FY 2010-11 Adopted Budget.
2. Delegate authority to the Chief Probation Officer to prepare and execute modifications to the recommended agreement for any increases or decreases not to exceed 10% of the agreement amount and/or 180 days to the period of performance pursuant to the terms contained in the agreement, upon approval as to form by County Counsel.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to authorize the Chief Probation Officer to sign an agreement with Morpho Detection, Inc. (Morpho) to provide maintenance services for fifteen (15) Itemiser FX units. These devices identify narcotics directly from a finger imprint. They are installed at the entry points of the Probation Department's juvenile halls. Visitors are required to be screened

before gaining admittance to these facilities. If a controlled substance is detected an alarm sounds and a computer logs the time, date, and a sample analysis that shows what substance was detected. The proposed maintenance service agreement will ensure minimal downtime in the event of an equipment malfunction.

### **Implementation of Strategic Plan Goals**

The recommended actions are consistent with the Countywide Strategic Plan's, Goal #1 Operational Effectiveness and Goal #5 Public Safety.

### **FISCAL IMPACT/FINANCING**

The estimated cost for the two-year agreement is \$128,250, fully funded by NCC. Funding for this agreement is included in the FY 2010-2011 Adopted Budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

This is a Non-Prop A agreement. Consequently, there are no departmental employee relations' issues and it will not result in a reduction of County services.

The Department has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended agreement.

Probation will not require the contractor to perform services that exceed the Board-approved agreement amount, scope of work, and/or agreement dates.

### **CONTRACTING PROCESS**

The proposed agreement is recommended for award on a sole source basis because Morpho is the sole manufacturer of the equipment and there are no other known sources for the maintenance services to the equipment. The Department previously contracted with GE Homeland Protection for this service; however, this portion of the company was sold to Morpho.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This maintenance agreement will enable the Probation Department to continue to use the units with minimal downtime in the event of equipment malfunctions.

Respectfully submitted,

A handwritten signature in blue ink, reading "Donald H. Blevins". The signature is fluid and cursive, with the first name "Donald" being the most prominent.

DONALD H. BLEVINS  
Chief Probation Officer

DHB:TH:ck

Enclosures

c: Executive Officer, Board of Supervisors  
County Counsel  
Chief Executive Officer



**Itemiser<sup>®</sup> FX Basic Service**  
**SUPPORT AND MAINTENANCE AGREEMENT**

CUSTOMER:	MDI Part No.
	Contract Term:
	Contract Start Date:
Address:	Contract End Date:
City: State: Zip:	Serial Number(s):
Contact:	Location:
Phone:	
Fax:	
E-mail:	
Billing Contact:	Payment Terms: Net 30 days from the date
Address:	Customer receives a correct and proper invoice
City: State: Zip:	
Phone:	MDI office use only:
Fax:	Contract Number: SMA -
E-mail:	Sales Order Number:

**Agreement Terms**

- Morpho Detection will perform Corrective Maintenance on the Covered Products referenced by specific product serial number(s) in this Agreement.
- Products currently covered by Warranty or Support and Maintenance Agreement are eligible for contract coverage. Products with a lapse in entitlement coverage (not currently covered under Warranty or Support and Maintenance Agreement) must be evaluated and approved by Morpho Detection before the contract coverage can begin. Products must pass evaluation (functional testing and quality review) to be eligible for contract coverage. Customer is responsible for cost of evaluation and for cost of any repairs necessary prior to contract eligibility.
- All maintenance is to be conducted at a Morpho Detection authorized repair facility.
- Morpho Detection will supply replacement parts and labor at Morpho Detection's sole cost and expense. Morpho Detection reserves the right to use new or like-new parts to perform product repairs.
- Covered Products requiring repair must be shipped to a Morpho Detection authorized repair facility using Morpho Detection's Returned Material Authorization (RMA) Process. All requests for maintenance will be received, dispatched and escalated (as needed) by the Morpho Detection Customer Assistance Center (CAC). See Exhibit 1 for the CAC's contact information.
- **Shipping:** Morpho Detection is responsible for freight charges related to delivering the product to a Morpho Detection authorized repair facility. Delivery from the Customer's location to a Morpho Detection authorized repair facility will be via standard ground delivery. Product must be shipped to Morpho Detection in its original case. If the original case is not available, a replacement case must be purchased. Morpho Detection is responsible for return freight charges. Return freight will be standard ground delivery. Customer may request expedited shipment. Expedited shipping charges are the Customer's responsibility.
- **Depot Maintenance Time (DMT):** All product repairs will be accomplished by Morpho Detection and the product returned to Customer in good working order within seven (7) business days from the date of receipt

of the product at a Morpho Detection authorized repair facility. If unusual circumstances will delay completion of a covered repair beyond the above-stated DMT, Morpho Detection will advise Customer in a timely manner and make reasonable efforts to identify a mutually acceptable alternate solution. DMT will be calculated beginning when the product is received at a Morpho Detection authorized repair facility and ending when the product is shipped from the repair facility.

- **Technical Support:** To facilitate Morpho Detection's timely diagnosis and repair of the product under this Agreement, Morpho Detection will provide 24/7/365 telephone support as needed, via the Morpho Detection CAC. See Exhibit 1 for the CAC's contact information.
- **Consumables:** Only consumable part costs incurred during troubleshooting and repair at a Morpho Detection authorized repair facility are covered. All other consumable part costs are not covered.
- **Software Upgrades:** Customer shall receive any software upgrades pertaining to the Covered Product(s) released during the term of this Agreement. This paragraph does not guarantee that any upgrades will be released. Customer shall be responsible for installing any upgrades.
- If this Agreement is being purchased concurrently with the purchase of the Covered Products, the benefits described herein shall begin at the date of installation and end on the Contract End Date stated above.
- Should it be determined that a product's failure was caused by operator misuse or abuse, adverse operating conditions, or inappropriate shipping methods, Customer will be billed by Morpho Detection for all labor hours (at the then current labor rates), replacement parts (at prevailing list prices) and shipping charges.
- No refunds will be given after the Contract Start Date.
- This contract is governed by the attached Terms and Conditions, which shall be in addition to the terms of this Agreement, and shall control over any inconsistent terms in any documents received from any purchaser of goods or services hereunder.

Financials		
Contract Details and Total Selling Price	Number of Products Covered:	
	Term of Contract:	
	Price per Product:	
	Total Contract Selling Price:	

This Agreement between Morpho Detection, Inc. (herein “Morpho Detection” or “MDI”) and the Customer named above (the “Customer”) consists of this Support and Maintenance Agreement, the attached Terms and Conditions, the attached Exhibits and any attached addenda executed by a duly authorized representative of each party (“this Agreement”). This Agreement is the entire and integrated agreement between the parties, reflects the entire understanding of matters related hereto and supersedes all prior negotiations, representations and agreements, whether written or oral.

**Agreed and Accepted by:**

**Morpho Detection, Inc.**

**Customer:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## TERMS AND CONDITIONS

**1. Conditions.** The sale of any services or products, and the integration thereof, ordered by the Customer is expressly conditioned upon the terms and conditions contained or referenced herein. Any additional or different terms and conditions set forth in the Customer's purchase order or similar communication are expressly objected to and will not be binding upon MDI unless specifically agreed to in writing by an authorized MDI employee.

**2. Order of Precedence.** Unless otherwise provided in this Agreement, in case of conflicts between provisions of this Agreement,

- a) The Support and Maintenance Agreement shall prevail over the Terms and Conditions; and
- b) Duly executed addenda (if any) shall prevail over the Support and Maintenance Agreement.

**3. Covered Products.** This Agreement applies only to those products that are listed by serial number in the Support and Maintenance Agreement ("the Products") and located at the location stated in the Support and Maintenance Agreement.

**4. Term.** MDI's maintenance and repair obligations under this Agreement will commence on the Contract Start Date stated in the Support and Maintenance Agreement, and will continue for the Contract Term stated in the Support and Maintenance Agreement, ending on the Contract End Date stated in the Support and Maintenance Agreement.

**5. Maintenance and Parts.** As used in this Agreement, maintenance, parts , and consumables are defined as follows:

a) **"Corrective Maintenance"** means the response to the Customer's request for assistance or repair. Corrective Maintenance includes correcting basic problems and identifying the need for repairs. Corrective Maintenance also includes diagnosis using available software tools, adjustments and replacement of parts subject to normal wear, and diagnosis and replacement of repairable and consumable parts. Corrective Maintenance includes testing, calibration and adjustment of the Products as necessitated by a repair or replacement.

b) **"Defective Part"** means any part that MDI determines is not functioning per specifications and is not repairable. Defective part does not include any **consumable**. **"Consumable"** means any part that is consumed or subject to wear during normal operation, including but not limited to dopants, air filters, sample traps, detector membranes, etc.

**6. Scope of Support Plans.** During the term of this Agreement, MDI will provide the Return to Base Support Plan stated in the Support and Maintenance Agreement, as defined below:

a) Under **the Return To Base Support Plan**, MDI will provide authorized repair facility Corrective Maintenance, and telephone support as required by Customer.

b) Under **the Return To Base Support Plan**, MDI will provide Customer with software updates for "bug fixes."

c) Unless otherwise stated in this Agreement, MDI will use reasonable efforts to respond by telephone within sixty (60) minutes when contacted using any of the phone numbers included in Exhibit 1.

**7. Excluded Services.** MDI is under no obligation to perform maintenance or remedial service, or to provide replacement parts, in connection with (i) repairs or maintenance of items external to the Products or of accessories, attachments, supplies, or other devices not furnished by MDI; or (ii) damage or failure caused by any intentional or negligent act by Customer's or user's employees, agents or invitees or by any other party not under MDI's control.

**8. Payments and Financial Conditions.**

a) Except as otherwise specified by MDI in its quotation, pro rata payments shall become due as shipments are sent. If MDI agrees to delay shipments after completion of any product, payment shall become due on the date when MDI is prepared to send the shipment. In the event of any such delay, title shall pass as of the date when MDI is prepared to send the shipment and products shall be held at Customer's risk and expense. All

payments shall be made without set-off for claims arising out of other sales by MDI. Unless otherwise agreed, payments shall be made by wire transfer upon receipt of invoice.

b) Customer shall pay the Total Contract Selling Price stated in the Support and Maintenance Agreement, plus Taxes (in accordance with Article 9), according to the terms stated in the Support and Maintenance Agreement. Credit terms are available upon MDI's approval. Customer shall pay the amount due for any parts, maintenance or services that are not included in the Total Contract Selling Price, plus Taxes, within thirty days of receipt of an invoice therefor. Any extension of payment period shall require prior written approval of MDI.

c) All payments required by this Agreement shall be made in United States dollars. Customer shall, at its sole expense, institute and complete any necessary currency exchange transactions or government proceedings for payment in United States dollars. Payment shall be by wire transfer or other same-day available funds. Upon MDI's approval, payment may be made by check, on credit terms or by sight draft against an irrevocable letter of credit.

d) If Customer's financial condition at any time does not, in the judgment of MDI, justify continuance of the work to be performed by MDI hereunder on the agreed terms of payment, MDI may require full or partial payment in advance or shall be entitled to terminate the contract and receive termination charges. In the event of Customer's bankruptcy or insolvency or in the event any proceeding is brought against Customer, voluntarily or involuntarily, under bankruptcy or insolvency laws, MDI shall be entitled to terminate any order then outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its termination charges. MDI's rights under this Article are in addition to all rights available at law or in equity.

**9. Taxes.** In addition to any price specified herein, Customer shall pay, or reimburse MDI for, the gross amount of any present or future sales, use, excise, value-added, or other similar tax applicable to the price, sale or delivery of any products or services furnished hereunder or to their use by MDI or Customer, or Customer shall furnish MDI with evidence of exemption acceptable to the taxing authorities.

**10. Insurance.** During the Term of this Agreement, MDI will cover its employees with Workers Compensation Insurance, and maintain valid Public Liability and Property Damage Insurance.

**11. Warranty.**

a) MDI warrants to Customer that products and any services furnished hereunder will be free from defects in material and workmanship and will be of the kind and quality specified in the MDI written quotation. The foregoing shall apply only to failures to meet said warranties which appear within ninety (90) days from the date of shipment. Consumable items (such as filters, membranes, seals and other identified items) are excluded from this warranty.

b) In no case does this warranty apply to any failure or nonconformance with specifications caused by or attributable to any associated or complementary products not supplied under this contract. The warranty and remedies are conditioned upon (i) proper storage, installation, use and maintenance, and conformance with any applicable recommendations of MDI, and (ii) Customer promptly notifying MDI of any defects and, if required, promptly making the product available for service.

c) If any product or service fails to meet the foregoing warranties, MDI shall thereupon correct any such failure either, at its option, (i) by repairing any defective or damaged part or parts of the products, and/or reperforming any defective service, or (ii) by making available, F.O.B. the MDI plant or other mutually agreed upon point of shipment, any necessary repaired or replacement parts. If reperformance is not practicable, MDI will furnish without charge services in an amount essentially equal to those that, in the sole judgment of MDI, would have been required for reperformance. Where a failure cannot be corrected by MDI's reasonable efforts, the parties will negotiate an equitable adjustment in price.

d) THE PRECEDING PARAGRAPHS SET FORTH THE EXCLUSIVE REMEDIES FOR CLAIMS BASED ON DEFECT IN OR FAILURE OF PRODUCTS OR SERVICES, WHETHER THE CLAIM IS IN CONTRACT, INDEMNITY, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. Upon the expiration of the warranty period, all such liability shall terminate and the Customer shall have a reasonable time, not to exceed thirty (30) days after the warranty period, to give written notice of any defects that appeared during the warranty period. EXCEPT AS SET FORTH IN ARTICLE 12, "PATENTS", THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER



WARRANTIES, WHETHER WRITTEN, ORAL, IMPLIED OR STATUTORY. NO IMPLIED STATUTORY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE SHALL APPLY. MDI does not warrant any products or services of others designated by Customer.

**12. Patents.**

a) Subject to the provisions of this Article, MDI warrants that products, services, or products and services in combination, furnished under this contract shall be delivered free of any rightful claim of any third party for infringement of any United States patent. If notified promptly in writing and given authority, information and assistance, and contingent upon Customer not taking any position adverse to MDI in connection with such claim, MDI shall defend, or may settle at its expense, any suit or proceeding against Customer so far as based on a claimed infringement which would result in a breach of this warranty and MDI shall pay all damages and costs awarded therein against Customer due to such breach. In case any product, service or combination thereof is in such suit held to constitute such an infringement and the use of said product or service is enjoined, MDI shall, at its expense and option, either procure for Customer the right to continue using said product or service, or replace same with a non-infringing product or service, or modify same so it becomes non-infringing, or remove the product or halt the service and refund the purchase price (less reasonable depreciation for any period of use) and any transaction costs separately paid by Customer. The foregoing states the entire liability of MDI for patent infringement relating to products, services or any combination thereof.

b) The preceding paragraph shall not apply to any product or service specified by Customer or manufactured to Customer's design, or to the use of any product in combination with products not provided by MDI.

**13. Software.** Unless subject to a separate license agreement, any software furnished hereunder whether separate or incorporated with supplied hardware, including any subsequent updates, is furnished under the following terms and conditions:

a) The software, and any part thereof, is designed for use only on the unit on which the software is first installed.

b) No exclusivity of use of the software is transferred to Customer.

c) Software and documentation copyrighted by MDI shall not be copied in whole or in part, but additional copies of software and documentation in printed form may be obtained from MDI or its representatives at MDI's then-standard charges, subject to applicable import and export, and sensitive security information laws and regulations. Customer agrees that any copyright, proprietary, trade secret or similar notices appearing on and in software will be reproduced and included on and in any modifications and copies, in whole or in part, of software.

d) The source code for software is not included unless specifically listed as an item in the MDI specification.

e) On occasion, third party licensed software is provided. It will be identified as such and Customer will be required to complete any sublicense specified by the software licensor and provided by MDI.

f) If a separate software license agreement is required by MDI, Customer shall execute the software license agreement on or before installation, and the provisions of the separate software license agreement shall supercede the foregoing subparagraphs to the extent they are inconsistent with such license.

**14. Delivery, Title and Risk of Loss.**

a) Delivery dates are approximate and are based upon prompt receipt of all necessary information from Customer. Unless otherwise specified by MDI, title shall pass to the Customer when products are placed in the hands of the carrier at the point of shipment, or on a pro rata basis as services are performed.

b) If any part of the products cannot be shipped when ready due to any cause referred to in Article 15 "Excusable Delays", herein, MDI may place such products in storage (which may be at the place of manufacture). In such an event (i) MDI shall notify Customer of the placement of any products in storage, (ii) MDI's delivery obligations shall be deemed fulfilled and title and all risk of loss or damage shall thereupon pass to Customer, (iii) any amounts otherwise payable to MDI upon delivery shall be payable upon presentation of MDI's invoices therefore and its certification as to such cause, (iv) promptly upon submission of MDI's invoices, Customer shall reimburse MDI for all expenses incurred by MDI, such as preparation for and placement into storage, storage,

handling, inspection, preservation and insurance, and (v) when conditions permit and upon payment of all amounts due hereunder, MDI shall assist and cooperate with Customer in any reasonable manner with respect to the removal of any products placed in storage.

**15. Excusable Delays.** MDI shall not be liable for delays in delivery or performance, or for failure to manufacture, deliver or perform, due to (i) a cause beyond its reasonable control, or (ii) an act of God, act of Customer, prerequisite work by others, act of civil or military authority, Governmental priority, strike or other labor disturbance, flood, epidemics, war, riot, transportation delay or shortage, or (iii) inability on account of a cause beyond the reasonable control of MDI to obtain necessary material, components, services or facilities. MDI will notify Customer promptly of any material delay excused by this Article and will specify the revised delivery date as soon as practicable. In the event of any such delay, there will be no termination and the date of delivery or of performance shall be extended for a period equal to the time lost by reason of the delay. In the event MDI is delayed by acts of the Customer or by prerequisite work by other contractors or suppliers of the Customer, MDI shall be entitled to an equitable price adjustment in addition to an extension of the time of performance.

**16. Limitations of Liability.**

a) Except as provided in Article 12, "Patents", in no event, whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall MDI's liability to Customer or its insurers for any loss or damage arising out of, or resulting from this Agreement, or from the performance or breach thereof, or from the products or services furnished hereunder, exceed the price of the specific product or service which gives rise to the claim.

b) In no event, whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall MDI be liable for any special, consequential, incidental or exemplary damages including, but not limited to, loss of profit or revenues, loss of data, loss of use of the products or any associated equipment, damage to associated equipment, cost of capital, cost of substitute products, facilities, services or replacement power, downtime cost, or claims of customers of Customer for such damages. If the products or services being provided by MDI will be furnished by Customer to a third party by contract or otherwise or relate to a contract between the Customer and a third party, Customer shall obtain from such third party a provision affording MDI the protection of this Article.

c) If MDI furnishes Customer with advice or other assistance which concerns any product supplied hereunder or any system or equipment in which any such product may be installed and which is not required pursuant to this Agreement, the furnishing of such advice or assistance will not subject MDI to any liability, whether in contract, indemnity, warranty, tort (including negligence), strict liability or otherwise. For the purposes of this Article, the term MDI includes MDI subcontractors and suppliers.

**17. Changes, Deletions and Extra Services.**

a) Customer may, by written change order, request changes within the general scope of any services provided. If any such change will result in an increase or decrease in the cost or time required for the performance of any part of the project under this Agreement, there shall be an equitable adjustment to the contract price or in the time for performance, or both. MDI shall not be obligated to proceed with the changed or extra services until: (i) the value of such changes or extra services and the effect on the schedule of completion of the services have been agreed upon; and (ii) the change order has been signed by MDI and Customer.

b) Upon submission of a written request by the Customer to MDI to perform extra services or to alter, add to, or deduct from the services provided, MDI shall submit to the Customer the contract price, or any adjustments to the warranty or guarantee obligations or any other impacts which would result from the change. If the Customer elects to proceed with the changed services, Customer shall issue a Change Order to MDI authorizing such adjustments as agreed to by the Customer and MDI. The prices of any extra or change shall be determined in one or more of the following ways: (i) by mutually agreed firm lump sum price, or (ii) by unit prices specified in the contract or agreed upon, or (iii) by cost and negotiated percentage of cost or fixed fee.

c) At any time and with prior consent of Customer in case of material changes, MDI reserves the right to make changes in design, construction, arrangement or products, provided such changes do not result in any increase in the contract price or time for performance or alter the performance guarantees or warranty obligations set forth herein. Customer shall not unreasonably withhold its consent in case of material changes.

**18. Conditions Affecting the Services.** Customer shall advise MDI of the location and nature of any known unusual conditions which would affect the services. MDI shall be entitled to assume that any site data furnished by Customer is accurate and complete. MDI shall promptly notify Customer of: (i) any conditions at the site which materially differ from those indicated in the information furnished by Customer; (ii) any previously unknown physical conditions at the site of an unusual nature, not revealed by previous investigations and differing from those ordinarily encountered in the type of services provided for in this Agreement; (iii) the suspected presence of any toxic substances, hazardous substances, or hazardous wastes (as such terms may be defined in any federal, state or local statute, ordinance or regulations) which require special handling and/or disposal; or (iv) the presence of archaeological remains. If such conditions cause an increase in MDI's cost or time for performance of any part of this Agreement, MDI shall be entitled to an equitable adjustment in the contract price and an extension in the time for performance.

**19. Termination.** Notwithstanding anything else contained herein, this Agreement may be terminated:

- a) By MDI upon any default by Customer in the payment of any amount due to MDI hereunder,
- b) By MDI upon Customer's failure to pay any debt to MDI,
- c) By MDI upon Customer's bankruptcy, insolvency or receivership,
- d) By Customer upon giving written notice to MDI if a Covered Product is lost, stolen, destroyed or damaged beyond economic repair; provided that the Agreement shall be terminated only as to those Covered Products that are a complete loss,
- e) By either party upon giving written notice that the other party has committed a serious breach of this Agreement (other than any default by Customer in payment, which is governed by subparagraph a) above) and has failed to remedy the breach within thirty (30) days of written notice of such breach and intention to terminate, or
- f) By MDI upon any material default by Customer not cured within fifteen (15) days of the date MDI notifies Customer of such default.

**20. General.**

- a) Any MDI product or services provided hereunder shall be considered a "commercial item" as defined in FAR PART 2, 2.101 Definitions and in accordance with FAR 52.244-6. If the reasonableness of the price cannot be established through the presence of adequate price competition or price elaboration, if cost or pricing data should be required for any other reason, or if the service cannot be considered a "commercial item", MDI reserves the right to withdraw this proposal without penalty.
- b) Unless otherwise specified by MDI, any quotation of MDI shall expire thirty (30) days from the date of issuance and may be modified or withdrawn at any time prior to the date of Customer's order.
- c) Customer may terminate an order only upon paying MDI its termination charges determined in accordance with MDI's standard accounting practices upon submission of MDI's invoices therefore. Termination of an order shall not relieve either party of any obligation arising out of work performed prior to termination.
- d) MDI reserves the right to subcontract any of the work to one or more subcontractors. The delegation or assignment by either party of any or all of its duties or rights hereunder without the other party's prior written consent shall be void, except that MDI may, without prior written consent of the Customer, assign this Agreement to a successor in interest by merger, by operation of law, by purchase, or otherwise, or to any entity at least 50% of whose stock or other equity interest is beneficially owned, directly or indirectly, by MDI or any affiliate of MDI.
- e) Any representation, warranty, course of dealing or trade usage not contained or referenced herein will not be binding on MDI. This Agreement contains the entire and only agreement between Customer and MDI with respect to terms and conditions and supersedes and cancels all previous negotiations, agreements, commitments, representations and writings in respect thereto. This Agreement may not be amended, supplemented, changed or modified in any manner, orally or otherwise, except by an instrument in writing of concurrent or subsequent date, signed by a duly authorized representative of each party.
- f) The validity, performance and all matters relating to the interpretation and effect of this Agreement and any amendment hereto shall be governed by the law of the State of New York, excluding its

conflict of law rules. The invalidity, in whole or part, of any of the articles or paragraphs in these Terms and Conditions will not affect the remainder of such article or paragraph of any other article or paragraph.

g) The provisions of this Agreement are for the benefit of the parties hereto and not for any other person except as specifically provided herein.

**EXHIBIT 1**

**Morpho Detection** Customer Assistance Center (CAC) – Contact Information

U.S. & Canada:  
1-877-877-1008 (toll free) or 510-739-2585

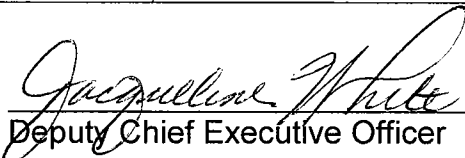
Australia:  
800-147-147 (toll free)

France:  
00800-0800-0900 (toll free) or 0032-1627-0815

UK:  
44-1784-229-800

Worldwide:  
510-739-2585

## SOLE SOURCE CHECK LIST

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS <i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation).
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
✓	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.
	➤ Other reason. Please explain:
<div style="display: flex; justify-content: space-between;"> <div>   Deputy Chief Executive Officer </div> <div> 08/25/2010  Date </div> </div>	

**COUNTY OF LOS ANGELES – PROBATION DEPARTMENT**

**JUSTIFICATION FOR A SOLE SOURCE AGREEMENT**

**BACKGROUND**

The Probation Department owns 15 Morpho VaporTracer2 units. These are handheld devices capable of detecting all common narcotics.

These devices identify narcotics directly from a finger imprint. They are installed at the entry points of the Probation Department's juvenile halls. Visitors and newly detained minors are required to be screened before gaining admittance to these facilities. If a controlled substance is detected an alarm sounds and a computer logs the time, date, and a sample analysis that shows what substance was detected.

Visitors are required to be screened before gaining admittance to Probation's residential facilities.

The proposed maintenance service agreement will ensure minimal downtime in the event of an equipment malfunction.

**SOLE SOURCE JUSTIFICATION**

The proposed agreement is recommended for award on a sole source basis because Morpho is the sole manufacturer of the equipment and there are no other known sources for the maintenance services to the equipment.